CONFIDENTIAL

DLL District com con a capital reasonment in

> 12 December 1986 OCA 86-4092

NOTE FOR:

The Director

FROM:

Dave Gries

SUBJECT:

Weekly Report

25X1

Reactions to DCI and CIA Testimony.

--House Appropriations Defense Subcommittee: There is less than meets the eye as far as CIA is concerned. Many members came away feeling that CIA came out clean. However, they distinguish between wrongdoing--which they feel is not an issue in this instance--and questionable judgment.

--House Foreign Affairs Committee: We are picking up signs of polarization. "Some members were surprised at the DCI's candor; others doubt his candor in disclaiming knowledge of the Iranian side of the funding mechanism. Broomfield reportedly regrets using the word "serious" in his statement that senior officials of CIA had made errors in judgment. Senior Republicans are more critical than they are allowing publicly.

--House Intelligence Committee: Generally pleased at responsiveness of Agency witnesses. So far unable to find any meaningful discrepancies, and some staff indicate and believe that the Agency is just about out of the woods. The Agency may have done some foolish things, but not illegal ones. However, the books cannot be closed until Poindexter and North talk.

Senate Intelligence Committee: Most CIA witnesses have
been given good marks for openness. No significant
discrepancies have turned up. At this juncture, there
appears to be more concern about the damage to oversight
than about CIA's role in the Iran initiative.

25X1

They expect more complete

25X1

testimony from the DCI on next Tuesday.

MEINENTIAL

25X1

CONCIDENTIAL

General Reaction Throughout the Congress: The Agency seems gradually to be extricating itself. No one has found any significant discrepancies or indications of wrongdoing. The DCI continues to have a problem regarding the Furmark speculation on diversion. There is also disbelief that the Agency did not know more about how Iranian intermediaries managed their funds. Cohen, Boren, Benson, Hollings and Bradley are anxious to put the Iran initiative behind them so that they can get on with other business. They are reacting more in sorrow than in anger. Boren is particularly concerned about the atmosphere for oversight.

Personnel Changes: Warner will join SSCI in January. Bernie McMahon has been asked to be his designee, at least initially. Cranston and DeConcini will also join the committee. Metzenbaum is expected to replace Leahy in June.

SSCI and HPSCI Document Requests: We reviewed, sanitized when appropriate and sent 228 documents to SSCI, comprising about 80 percent of the documents covered by its subpoena. We expect that the remaining materials will be delivered by early next week. Meanwhile, we have provided the same package to HPSCI and in so doing furnished all of the materials it has requested to date.

25X1 25X1

cc: DDO
DDI
DDS&T
DDA

Distribution:

Original - Addressee

1 - DDCI

1 - EXDIR

1 - ER

1 - Comptroller

1 - D/PAO

1 - General Counsel

1 - D/OP

1 - D/ICS

1 - D/OCA Chrono

1 - EO/OCA

1 - DD/House Affairs/OCA

1 - DD/Senate Affairs/OCA

1 - DD/Legislation/OCA

(1)- OCA Subject

1 - OCA Chrono